

## Exhibit 1

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### Press Release

Source: Faruqi & Faruqi LLP

## Faruqi & Faruqi, LLP Announces Filing of Class Action Lawsuit Against Luminent Mortgage Capital, Inc. -- LUM

Wednesday August 8, 5:01 pm ET

NEW YORK, Aug. 8, 2007 (PRIME NEWSWIRE) -- Notice is hereby given that a class action lawsuit was commenced in the United States District Court for the Northern District of California on behalf of all purchasers of Luminent Mortgage Capital, Inc. ("Luminent" or the "Company") (NYSE:[LUM](#) - [News](#)) securities between July 24, 2007 and August 6, 2007, inclusive (the "Class Period"). A copy of the complaint filed in this action can be viewed on the Faruqi & Faruqi, LLP website at <http://www.faruqilaw.com>.

The complaint charges defendants with violations of federal securities laws by, among other things, issuing a series of materially false and misleading press releases and SEC filings regarding Luminent's financial results and business prospects. Specifically, the complaint alleges that Luminent failed to disclose: (i) the Company was not sufficiently liquid; (ii) the Company's financial statements and reports were not prepared in accordance with GAAP and SEC rules; and (iii) that defendants lacked any reasonable basis to claim that the Company had ample liquidity and that the dividend payments were secure. As a result, the price of the Company's common stock was artificially inflated throughout the Class Period. On August 6, 2007, however, defendants shocked the market when they announced that the Company was cancelling the payment of its dividend. In response to the announcement, Luminent's share price dropped to a low of \$3.75 on August 6, 2007 before trading was halted. It then opened on August 7, 2007 at \$0.50, representing a drop of over 85%.

Plaintiff seeks to recover damages on behalf of himself and all other individual and institutional investors who purchased or otherwise acquired Luminent securities between July 24, 2007 through August 6, 2007, excluding defendants and their affiliates. Plaintiff is represented by Faruqi & Faruqi, LLP, a law firm with extensive experience in prosecuting class actions and significant expertise in actions involving corporate and securities fraud.

If you wish to obtain information concerning joining this action you can do so under the "Join Lawsuit" section of our website at <http://www.faruqilaw.com>.

If you purchased Luminent securities during the Class Period, you may, not later than Monday, October 8, 2007, move the court to serve as lead plaintiff of the class, if you so choose. In order to serve as lead plaintiff, however, you must meet certain legal requirements.

More information on this and other class actions can be found on the Class Action Newswire at <http://www.primenewswire.com/ca>

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Source: Faruqi & Faruqi LLP

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